

Seventy-Eighth Oregon Legislative Assembly - 2015 Regular Session
PRELIMINARY STAFF MEASURE SUMMARY
House Committee On Revenue

MEASURE: HB 2067

Fiscal: May have fiscal impact, but no statement yet issued

Revenue: May have revenue impact, but no statement yet issued

Action Date:

Action:

Meeting Dates:

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WHAT THE MEASURE DOES:

Clarifies that the intermediary facilitating the rent of a residential space is the one responsible to collect that transient Lodging tax.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

The 2003 Legislative Assembly (HB 2267) established a statewide transient lodging tax to fund the promotion of tourism, and the Oregon Tourism Commission. Transient lodging was defined as "hotel, motel and inn dwelling units that are designed for temporary overnight human occupancy, and includes spaces designed for parking recreational vehicles during periods of human occupancy of those vehicles." The law required the Oregon Tourism Commission to use at least 80 percent of lodging tax net receipts to fund state tourism marketing programs and up to 15 percent to implement regional tourism marketing programs. For new or increased local government lodging taxes imposed by cities and/or counties, the law required 70 percent of net revenue to be used to fund tourism promotion or tourism related facilities. The law also required that new or increased local lodging taxes allow for at least 5 percent of tax revenues to be retained by lodging providers to cover tax collection administrative costs.

The 2005 Legislative Assembly (HB 2197) subsequently expanded the definition of "transient lodging" to include these dwelling units used for temporary human occupancy. It also explicitly exempted certain other dwelling units.

The 2013 Legislative Assembly (HB 2656) enhanced the administration and enforcement of existing law governing transient lodging taxes. Legislative changes required transient lodging providers and transient **lodging intermediaries to collect and remit taxes computed on the retail price**, including all charges other than taxes, paid by the customer for occupancy of transient lodging.

The State transient lodging tax revenue in 2014 was \$12.9 million, and \$12.79 in 2013.

During 2013, eighty-five cities and fifteen counties in Oregon levied a locally administered transient lodging tax. This tax, ranging from 2 percent to 13.5 percent, is collected on the sale (i.e., rental) of a room at a lodging establishment such as a hotel, motel, bed & breakfast or at a campground site or RV park.

Local lodging tax rate averages 8.7%, however, receipts increased by 13.4 % (to \$122 million) in 2013 fiscal year. (The large increase in revenues is in part attributable to the establishment of the Tourism Improvement District in the City of Portland, which levies an additional 2 percent tax on lodging establishments with 50 or more rooms.)